
State:	District of Columbia	Filing Company:	Delta Dental Insurance Company
TOI/Sub-TOI:	H10I Individual Health - Dental/H10I.000 Health Dental		
Product Name:	DDIC, O15HCR Ind dc DC, Rates		
Project Name/Number:	DDIC, O15HCR Ind dc DC, Rates/DDIC, O15HCR Ind dc DC, Rates		

Filing at a Glance

Company:	Delta Dental Insurance Company
Product Name:	DDIC, O15HCR Ind dc DC, Rates
State:	District of Columbia
TOI:	H10I Individual Health - Dental
Sub-TOI:	H10I.000 Health Dental
Filing Type:	Rate
Date Submitted:	06/06/2014
SERFF Tr Num:	DDPA-129572381
SERFF Status:	Pending State Action
State Tr Num:	
State Status:	
Co Tr Num:	DDIC, O15HCR IND DC DC, RATES
Implementation	01/01/2015
Date Requested:	
Author(s):	Connie Roth, Noel Brennan, Alisa Koelling, Brandy Christian
Reviewer(s):	Darniece Shirley (primary), Alula Selassie, John Morgan, Beichen Li
Disposition Date:	
Disposition Status:	
Implementation Date:	
State Filing Description:	

State: District of Columbia **Filing Company:** Delta Dental Insurance Company
TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health Dental
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Project Name/Number: DDIC, O15HCR Ind dc DC, Rates/DDIC, O15HCR Ind dc DC, Rates

General Information

Project Name: DDIC, O15HCR Ind dc DC, Rates Status of Filing in Domicile: Not Filed
 Project Number: DDIC, O15HCR Ind dc DC, Rates Date Approved in Domicile:
 Requested Filing Mode: Review & Approval Domicile Status Comments: These rates will not be used in in our domiciliary state of Delaware; therefore, they have not been submitted to the Delaware Department of Insurance.
 Explanation for Combination/Other: Market Type: Individual
 Submission Type: New Submission Individual Market Type:
 Overall Rate Impact: Filing Status Changed: 06/11/2014
 State Status Changed:
 Deemer Date: Created By: Alisa Koelling
 Submitted By: Alisa Koelling Corresponding Filing Tracking Number: DDPA-129572382

Filing Description:

Enclosed for your review and approval is a new Delta Dental Insurance Company (NAIC Company Code 81396) individual rate filing under SERFF #DDPA-129572381.

This is an initial rate filing. These rates will be used when our DeltaCare USA product is sold direct or by a partnership relationship to individuals outside the District of Columbia Health Benefit Exchange. We have filed forms for use outside the exchange under SERFF #DDPA-129572382. These products will use the DeltaCare USA network and will be marketed by licensed agents, brokers, third party administrators, mass marketed via various publications or online.

These rates pertain to pediatric (EHB) plans Individual Pediatric Preferred/High and Basic/Low Plans that will provide the required coverage for the pediatric oral services required by the essential health benefits provisions of the Affordable Care Act (ACA).

Our effective date for use of these rates will be January 1, 2015, provided the filing has been approved by or deemed approved by your Department.

Thank you for your attention to this filing. If you should need any additional information or have any questions, please do not hesitate to contact me at (916) 861-1974 or akoelling@delta.org.

Sincerely,
 Alisa Koelling
 Regulatory Analyst
 Delta Dental Insurance Company

Company and Contact

Filing Contact Information

Alisa Koelling, Regulatory Analyst akoelling@delta.org
 11155 International Drive 916-861-1974 [Phone]
 Rancho COrdova, CA 95670 916-861-2748 [FAX]

SERFF Tracking #: DDPA-129572381

State Tracking #:

Company Tracking #: DDIC, O15HCR IND DC DC,
RATES

State: District of Columbia

Filing Company: Delta Dental Insurance Company

TOI/Sub-TOI: H10I Individual Health - Dental/H10I.000 Health Dental

Product Name: DDIC, O15HCR Ind dc DC, Rates

Project Name/Number: DDIC, O15HCR Ind dc DC, Rates/DDIC, O15HCR Ind dc DC, Rates

Filing Company Information

Delta Dental Insurance Company
1130 Sanctuary Parkway
Suite 600
Alpharetta, GA 30009
(770) 641-5217 ext. [Phone]

CoCode: 81396
Group Code: 2479
Group Name:
FEIN Number: 94-2761537

State of Domicile: Delaware
Company Type: LAH
State ID Number:

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Actuarial Memorandum (Pediatric)	OPIP-DC-dc-15	New		DC-AM-EHB-Ind-Out Filing 05-23-14.pdf,

ACTUARIAL MEMORANDUM**DeltaCare USA Plans****1 Scope and Purpose of Filing**

This filing pertains to the DeltaCare USA dental plans offered by Delta Dental Insurance Company (Delta Dental) in the District of Columbia. The purpose of this filing is to add two new dental plans (Delta Dental Individual DeltaCare USA Pediatric Basic Plan and Delta Dental Individual DeltaCare USA Pediatric Preferred Plan) to our existing portfolio of plans that are provided on a prepaid limited health service contract. These new plans include pediatric benefits, covering dental Essential Health Benefits as defined by the District of Columbia. They have been developed for the purposes of the Individual District of Columbia Exchange as promulgated under PPACA.

2 Description of Benefits

The DeltaCare USA program is a plan of dental care provided by Delta Dental as a Single Service Health Maintenance Organization. Copayments, limitations and exclusions may be applied to specific services, and not all services are covered by all plans. These plans are not subject to a deductible. These plans have a \$350 out-of-pocket maximum per enrollee per calendar year and a \$700 out-of-pocket maximum for multiple children on the same policy. Based on guidance regarding Essential Health Benefits, we have developed a High and a Low option which meet the ACA criteria as an 85% Actuarial Value Plan and 70% Actuarial Value Plan, respectively.

Premiums will not be charged on an issue age, attained age, or renewal age basis. These plans will only be available to children under age 19.

3 Administrative Expenses

Cost of Acquisition, Service and General Overhead	\$4.07 PMPM
Average Commission Load	5.0%
State Tax, ACA Tax, Exchange Fee	6.8%
Risk Margin	3.0%

4 Contingency and Risk Margins

DeltaCare USA plans include a margin of 3%.

5 Rates

The formula used for calculating the required revenue amount included in the rates proposed in this filing incorporates provider compensation levels, anticipated utilization by benefit design, member status, out-of-pocket maximum, etc.

Statewide Rates to be offered as of 1/1/2015

Delta Dental Individual DeltaCare USA Pediatric Basic Plan	Delta Dental Individual DeltaCare USA Pediatric Preferred Plan
\$14.49	\$17.49

6 Sample Rate Calculation

Capitation, Claims, Provider Reimbursement, Reserve	\$10.83
Administrative Expense	\$4.07
Average Commission Load	5.0%
State Tax, ACA Tax, Exchange Fee	6.8%
Risk Margin	3.0%
Total Premium	$(\\$10.83 + \\$4.07) / (1 - 0.050 - 0.068 - 0.03) = \\17.49

Expected Loss Ratio = Cost of Dental Care / (Gross Premium – Taxes and Fees)

Expected LR = 66.4% = $\$10.83 / (\$17.49 - \$17.49 \times (6.80\%))$

7 Trend

Current trend is set at 4.0% annually. Delta Dental will review the experience of these plans and may adjust rates as necessary.

8 Actuarial Certification

I, Thomas J Leibowitz, FSA, MAAA, am a member of the American Academy of Actuaries and meet its qualification standards for the pricing and valuation of dental benefits. I have reviewed the attached rating materials, and to the best of my knowledge and judgment, the rates shown are developed based on actuarially sound principles. The rates are not inadequate, excessive, or unfairly discriminatory, and are appropriate for the classes of risk for which they have been computed. Rates are reasonable in relation to the benefits provided. This filing is in compliance with the applicable laws of the District of Columbia, the rules of the District of Columbia Department of Insurance, and Actuarial Standard of Practice No. 8.



Thomas J Leibowitz, FSA, MAAA

Vice President and Chief Actuary
100 First Street
San Francisco, CA 94105

State:	District of Columbia	Filing Company:	Delta Dental Insurance Company
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Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	Please see the attached Cover Letter.
Attachment(s):	DeltaCare HCR Outside Individual Cover Letter (Rates).pdf
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	Submitter is an employee of the company.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	Please see the attached Actuarial Memorandum.
Attachment(s):	DC-AM-EHB-Ind-Out Filing 05-23-14.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	Please see the attached Actuarial Memorandum.
Attachment(s):	DC-AM-EHB-Ind-Out Filing 05-23-14.pdf
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	This is not a P&C filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	This is not a P&C filing.
Attachment(s):	
Item Status:	
Status Date:	

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Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	This is not a binder filing.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	We are not submitting a rate increase or a QHP binder filing.
Attachment(s):	
Item Status:	
Status Date:	

Dear Sir or Madam:

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This is an initial rate filing. These rates will be used when our DeltaCare USA product is sold direct or by a partnership relationship to individuals outside the District of Columbia Health Benefit Exchange. We have filed forms for use outside the exchange under SERFF #DDPA-129572382. These products will use the DeltaCare USA network and will be marketed by licensed agents, brokers, third party administrators, mass marketed via various publications or online.

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Thank you for your attention to this filing. If you should need any additional information or have any questions, please do not hesitate to contact me at (916) 861-1974 or akoelling@delta.org.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Alisa Koelling', with a long, sweeping horizontal line extending to the right.

Alisa Koelling
Regulatory Analyst
Delta Dental Insurance Company

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